

BEFORE THE  
TENNESSEE STATE BOARD OF EQUALIZATION

<i>In Re:</i>	Thomas J. & Faye E. Bartlett	)	
	District G2, Block 201, Parcel B64	)	
	Residential Property	)	Shelby County
	Tax year 2005	)	

INITIAL DECISION AND ORDER

Statement of the Case

The Shelby County Board of Equalization has valued the subject property for tax purposes as follows:

LAND VALUE	IMPROVEMENT VALUE	TOTAL VALUE	ASSESSMENT
\$37,400	\$182,500	\$219,900	\$54,975

On December 28, 2005, the property owners filed an appeal with the State Board of Equalization ("State Board").

The undersigned administrative judge conducted a hearing of this matter on April 4, 2006 in Memphis. In attendance at the hearing were Thomas J. Bartlett, the appellant, and Shelby County Property Assessor's representative Chris Kirby.

Findings of Fact and Conclusions of Law

This appeal concerns a two-story house that was built in the late 1970s at 1653 Brierbrook Road in Germantown. With a total living area of over 3,000 square feet, this home is one of the bigger ones in the neighborhood.

Mr. Bartlett opined that the market value of this property as of the January 1, 2005 reappraisal date was \$209,600. According to his compilation of all residential sales within a half-mile radius which occurred in 2003 and 2004, that was the *average* sale price for the four listed homes in excess of 2,900 square feet. Those four homes were as follows:

<u>Address</u>	<u>Square Footage</u>	<u>Sale Price</u>	<u>Price/sq ft</u>	<u>Sale Date</u>
1720 Brierbrook	3,305	\$170,000	\$51	12/5/03
7997 Farmingdale	3,214	\$224,900	\$70	5/17/04
7910 Neshoba	3,044	\$225,000	\$74	4/20/04
7976 Neshoba	2,954	\$218,500	\$74	7/13/04

On the Assessor's behalf, Mr. Kirby tendered a comparative sales grid which detailed the physical characteristics of the subject property and five homes of similar age and size in the general vicinity. The sale prices for his selected comparables ranged from \$202,000 to \$230,000 (or \$63.32-\$72.97 per square foot). In Mr. Kirby's view, this market data supported the current appraisal of the appellants' residence at \$70.82 per square foot.



Tenn. Code Ann. section 67-5-601(a) provides (in relevant part) that “[t]he value of all property shall be ascertained from the evidence of its sound, intrinsic and immediate value, for purposes of sale between a willing seller and a willing buyer without consideration of speculative values....”

Since the taxpayers seek to change the present valuation of the subject property, they have the burden of proof in this administrative proceeding. State Board Rule 0600-1-.11(1).

To his credit, Mr. Bartlett diligently researched the recent market activity in his area and focused on the sales of larger homes. But his exhibit merely specified the square footage of the houses listed; such other relevant characteristics as age and type of construction were not shown. More importantly, an authoritative textbook cautions that in reconciling comparative sales data into a single estimate of value, “the assessor must never average the results.” International Association of Assessing Officers, Property Assessment Valuation (2<sup>nd</sup> ed. 1996), pp. 123-124. Of particular significance in this case is the fact that three of the four comparables identified above sold for amounts close to the present valuation of the appellants’ property. The transfer of the 3,305-square-foot 1720 Brierbrook for only \$170,000 in December, 2003 appears to be an outlier; indeed, based on Mr. Bartlett’s information, that home is currently appraised at \$213,900.

Respectfully, for these reasons, the administrative judge concludes that the decision of the county board of equalization should be affirmed.

#### Order

It is, therefore, ORDERED that the following values be adopted for tax year 2005:

LAND VALUE	IMPROVEMENT VALUE	TOTAL VALUE	ASSESSMENT
\$37,400	\$182,500	\$219,900	\$54,975

Pursuant to the Uniform Administrative Procedures Act, Tenn. Code Ann. §§ 4-5-301—325, Tenn. Code Ann. § 67-5-1501, and the Rules of Contested Case Procedure of the State Board of Equalization, the parties are advised of the following remedies:

1. A party may appeal this decision and order to the Assessment Appeals Commission pursuant to Tenn. Code Ann. § 67-5-1501 and Rule 0600-1-.12 of the Contested Case Procedures of the State Board of Equalization. Tennessee Code Annotated § 67-5-1501(c) provides that an appeal **“must be filed within thirty (30) days from the date the initial decision is sent.”** Rule 0600-1-.12 of the Contested Case Procedures of the State Board of Equalization provides that the appeal be filed with the Executive Secretary of the State Board and that the appeal **“identify the allegedly erroneous finding(s) of fact and/or conclusion(s) of law in the initial order”**; or
2. A party may petition for reconsideration of this decision and order pursuant to Tenn. Code Ann. § 4-5-317 within fifteen (15) days of the entry of the order. The petition for reconsideration must state the specific grounds upon which relief is

requested. The filing of a petition for reconsideration is not a prerequisite for seeking administrative or judicial review.

This order does not become final until an official certificate is issued by the Assessment Appeals Commission. Official certificates are normally issued seventy-five (75) days after the entry of the initial decision and order if no party has appealed.

ENTERED this 27<sup>th</sup> day of April, 2006.



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PETE LOESCH  
ADMINISTRATIVE JUDGE  
TENNESSEE DEPARTMENT OF STATE  
ADMINISTRATIVE PROCEDURES DIVISION

cc: Thomas J. & Faye E. Bartlett  
Tameaka Stanton-Riley, Appeals Manager, Shelby County Assessor's Office  
Rita Clark, Assessor of Property

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